

HOUSE BILL NO. 890

98TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE KRATKY.

1882H.011

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To amend chapter 67, RSMo, by adding thereto two new sections relating to local taxes for the purpose of funding MO HealthNet expansion.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Chapter 67, RSMo, is amended by adding thereto two new sections, to be known as sections 67.5250 and 67.5255, to read as follows:

67.5250. 1. The governing body of any county or city not within a county may impose, by order or ordinance, a sales tax on all retail sales made within the county or city not within a county which are subject to sales tax under chapter 144. The tax authorized in this section shall be imposed solely for the purpose of funding MO HealthNet expansion in the county or city not within a county. The tax authorized in this section shall be in addition to all other sales taxes imposed by law, and shall be stated separately from all other charges and taxes. The order or ordinance shall not become effective unless the governing body of the county or city not within a county submits to the voters residing within the county or city not within a county at a state general, primary, or special election a proposal to authorize the governing body of the county or city not within a county to impose a tax under this section.

2. The ballot of submission for the tax authorized in this section shall be in substantially the following form:

Shall (insert the name of the political subdivision) impose a sales tax at a rate of (insert rate of percent) percent, solely for the purpose of funding MO HealthNet expansion?

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EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

18 YES NO

19

20 **If you are in favor of the question, place an "X" in the box opposite "YES". If you are**
21 **opposed to the question, place an "X" in the box opposite "NO".**

22

23 **If a majority of the votes cast on the question by the qualified voters voting thereon are in**
24 **favor of the question, then the tax shall become effective on the first day of the second**
25 **calendar quarter immediately following notification to the department of revenue. If a**
26 **majority of the votes cast on the question by the qualified voters voting thereon are**
27 **opposed to the question, then the tax shall not become effective unless and until the**
28 **question is resubmitted under this section to the qualified voters and such question is**
29 **approved by a majority of the qualified voters voting on the question.**

30 **3. All revenue collected under this section by the director of the department of**
31 **revenue on behalf of any county or city not within a county, except for one percent for the**
32 **cost of collection which shall be deposited in the state's general revenue fund, shall be**
33 **deposited in a special trust fund, which is hereby created and shall be known as the "MO**
34 **HealthNet Expansion Fund", and shall be used solely for the designated purposes. Moneys**
35 **in the fund shall not be deemed to be state funds, and shall not be commingled with any**
36 **funds of the state. The director may make refunds from the amounts in the trust fund and**
37 **credited to the county or city not within a county for erroneous payments and**
38 **overpayments made, and may redeem dishonored checks and drafts deposited to the credit**
39 **of such county or city not within a county. Any funds in the special trust fund which are**
40 **not needed for current expenditures shall be invested in the same manner as other funds**
41 **are invested. Any interest and moneys earned on such investments shall be credited to the**
42 **fund.**

43 **4. On or after the effective date of the tax, the director of revenue shall be**
44 **responsible for the administration, collection, enforcement, and operation of the tax, and**
45 **sections 32.085 and 32.087 shall apply. In order to permit sellers required to collect and**
46 **report the sales tax to collect the amount required to be reported and remitted, but not to**
47 **change the requirements of reporting or remitting the tax, or to serve as a levy of the tax,**
48 **and in order to avoid fractions of pennies, the governing body of the county or city not**
49 **within a county may authorize the use of a bracket system similar to that authorized in**
50 **section 144.285, and notwithstanding the provisions of that section, this new bracket system**
51 **shall be used where this tax is imposed and shall apply to all taxable transactions.**
52 **Beginning with the effective date of the tax, every retailer in the county or city not within**
53 **a county shall add the sales tax to the sale price, and this tax shall be a debt of the**

54 purchaser to the retailer until paid, and shall be recoverable at law in the same manner as
55 the purchase price. For purposes of this section, all retail sales shall be deemed to be
56 consummated at the place of business of the retailer.

57 **5. All applicable provisions in sections 144.010 to 144.525 governing the state sales**
58 **tax, and section 32.057, the uniform confidentiality provision, shall apply to the collection**
59 **of the tax, and all exemptions granted to agencies of government, organizations, and**
60 **persons under sections 144.010 to 144.525 are hereby made applicable to the imposition**
61 **and collection of the tax. The same sales tax permit, exemption certificate, and retail**
62 **certificate required by sections 144.010 to 144.525 for the administration and collection of**
63 **the state sales tax shall satisfy the requirements of this section, and no additional permit**
64 **or exemption certificate or retail certificate shall be required; except that, the director of**
65 **revenue may prescribe a form of exemption certificate for an exemption from the tax. All**
66 **discounts allowed the retailer under the state sales tax for the collection of and for payment**
67 **of taxes are hereby allowed and made applicable to the tax. The penalties for violations**
68 **provided in section 32.057 and sections 144.010 to 144.525 are hereby made applicable to**
69 **violations of this section. If any person is delinquent in the payment of the amount**
70 **required to be paid under this section, or in the event a determination has been made**
71 **against the person for taxes and penalty under this section, the limitation for bringing suit**
72 **for the collection of the delinquent tax and penalty shall be the same as that provided in**
73 **sections 144.010 to 144.525.**

74 **6. Any sales tax imposed under this section shall expire seven years after the date**
75 **such tax becomes effective, unless such tax is repealed under this section before the**
76 **expiration date provided for in this subsection.**

77 **7. The governing body of any county or city not within a county that has adopted**
78 **the sales tax authorized in this section may submit the question of repeal of the tax to the**
79 **voters on any date available for elections for the county or city not within a county. The**
80 **ballot of submission shall be in substantially the following form:**

81 **Shall (insert the name of the political subdivision) repeal the sales**
82 **tax imposed at a rate of(insert rate of percent) percent for the purpose of funding**
83 **MO HealthNet expansion?**

84

85

YES NO

86

87 **If you are in favor of the question, place an "X" in the box opposite "YES". If you are**
88 **opposed to the question, place an "X" in the box opposite "NO".**

89

90 **If a majority of the votes cast on the question by the qualified voters voting thereon are in**
91 **favor of repeal, that repeal shall become effective on December thirty-first of the calendar**
92 **year in which such repeal was approved. If a majority of the votes cast on the question by**
93 **the qualified voters voting thereon are opposed to the repeal, then the sales tax authorized**
94 **in this section shall remain effective until the question is resubmitted under this section to**
95 **the qualified voters and the repeal is approved by a majority of the qualified voters voting**
96 **on the question.**

97 **8. Whenever the governing body of any county or city not within a county that has**
98 **adopted the sales tax authorized in this section receives a petition, signed by ten percent**
99 **of the registered voters of the county or city not within a county voting in the last**
100 **gubernatorial election, calling for an election to repeal the sales tax imposed under this**
101 **section, the governing body shall submit to the voters of the county or city not within a**
102 **county a proposal to repeal the tax. If a majority of the votes cast on the question by the**
103 **qualified voters voting thereon are in favor of the repeal, the repeal shall become effective**
104 **on December thirty-first of the calendar year in which such repeal was approved. If a**
105 **majority of the votes cast on the question by the qualified voters voting thereon are**
106 **opposed to the repeal, then the sales tax authorized in this section shall remain effective**
107 **until the question is resubmitted under this section to the qualified voters and the repeal**
108 **is approved by a majority of the qualified voters voting on the question.**

109 **9. If the tax is repealed or terminated by any means, all funds remaining in the**
110 **special trust fund shall continue to be used solely for the designated purposes, and the**
111 **county or city not within a county shall notify the director of the department of revenue**
112 **of the action at least thirty days before the effective date of the repeal and the director may**
113 **order retention in the trust fund, for a period of one year, of two percent of the amount**
114 **collected after receipt of such notice to cover possible refunds or overpayment of the tax**
115 **and to redeem dishonored checks and drafts deposited to the credit of such accounts. After**
116 **one year has elapsed after the effective date of abolition of the tax in such county or city**
117 **not within a county, the director shall remit the balance in the account to the county or city**
118 **not within a county and close the account of that county or city not within a county. The**
119 **director shall notify each county or city not within a county of each instance of any amount**
120 **refunded or any check redeemed from receipts due the county or city not within a county.**

121 **10. All revenue collected under this section shall be used by the county or city not**
122 **within a county for the sole purpose of funding MO HealthNet expansion to cover**
123 **individuals who have income at or below one hundred thirty-eight percent of the federal**
124 **poverty level. No county or city not within a county shall submit to its voters the tax**
125 **proposed under this section until the state receives a waiver from the federal government**

126 **authorizing participation in the Medicaid program at the county or city not within a**
127 **county level. No individual shall qualify for participation in the MO HealthNet program**
128 **unless he or she has been a resident of his or her county or city not within a county for**
129 **three years immediately prior to applying for enrollment.**

67.5255. 1. Any county or city not within a county may, after voter approval under
2 **subsection 2 of this section, levy an annual property tax for the purpose of funding MO**
3 **HealthNet expansion in the county or city not within a county.**

4 **2. The ballot of submission shall be substantially in the following form:**

5 **Shall(insert name of the political subdivision) impose a property**
6 **tax upon all real and tangible personal property within the county at a rate of**
7 **(insert the amount) cents per one hundred dollars assessed valuation for the purpose of**
8 **funding MO HealthNet expansion?**

9

10 **YES** **NO**

11

12 **If a majority of the qualified voters voting on the question within the county or city not**
13 **within a county vote in favor of the tax, such tax shall be levied and collected pursuant to**
14 **this section. If a majority of the voters voting on the question within the county or city not**
15 **within a county vote against the tax, no such tax shall be levied and collected pursuant to**
16 **this section.**

17 **3. The county collector of each county or city not within a county in which the**
18 **authority is located shall collect the property taxes upon all real property and tangible**
19 **personal property within that county or city not within a county in the same manner as any**
20 **other property taxes are collected. The governing body of the county or city not within a**
21 **county shall use the proceeds of the tax prescribed in this section solely for the purpose of**
22 **funding MO HealthNet expansion in the county or city not within a county.**

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